



**FEDERAL ELECTION COMMISSION**  
Washington, DC 20463

**VIA FACSIMILE & FIRST CLASS MAIL**  
**(202) 429-3301**

Trevor Potter, Esq.  
Matthew Sanderson, Esq.  
Caplin & Drysdale, Chartered  
One Thomas Circle N.W.  
Suite 1100  
Washington, DC 20005-5802

**MAR - 5 2015**

RE: MUR 6889  
National Air Transportation Association

National Air Transportation Association  
PAC and Jason Miller in his official  
capacity

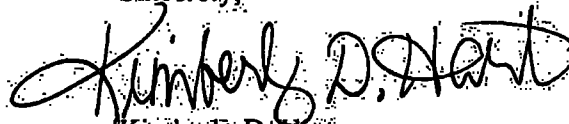
Dear Messrs. Potter and Sanderson:

On March 3, 2015, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on behalf of your clients, National Air Transportation Association and National Air Transportation Association PAC and Jason Miller in his official capacity as treasurer, in settlement of violations of 52 U.S.C. §§ 30118(a) and 30122 (formerly 2 U.S.C. §§ 441b(a) and 441f)) and 11 C.F.R. §§ 110.4(b)(1)(i), (b)(1)(iv), 114.2(b) and 114.2(d), provisions of the Federal Election Campaign Act of 1971, as amended and Commission regulations. Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (Dec. 14, 2009). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 52 U.S.C. § 30109(a)(4)(B) (formerly 2 U.S.C. § 437g(a)(4)(B)).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty and disgorgement are due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in black ink, appearing to read "Kimberly D. Hart". The signature is fluid and cursive, with the first name "Kimberly" being more prominent than the last name "Hart".

Kimberly D. Hart  
Attorney

Enclosure  
Conciliation Agreement

UNCLASSIFIED

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

National Air Transportation Association  
National Air Transportation Association  
Political Action Committee and Jason Miller  
in his official capacity as treasurer

RECEIVED  
2015 JAN 28 AM 9:50  
REC MAIL CENT.  
MUR 6889

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
2015 JAN 28 AM 10:10  
OFFICE OF GENERAL  
COUNSEL

CONCILIATION AGREEMENT

This matter was initiated by a *sua sponte* submission made to the Federal Election Commission ("the Commission") by Respondents, National Air Transportation Association ("NATA") and its separate segregated fund, the National Air Transportation Association Political Action Committee and Jason Miller in his official capacity as treasurer ("NATA PAC").

The Commission found reason to believe that NATA violated 52 U.S.C. §§ 30118(a) (formerly 2 U.S.C. §§ 441b(a)) and 30122 (formerly 2 U.S.C. § 441f) and 11 C.F.R. §§ 110.4(b)(1)(i) and 114.2(b) by making prohibited contributions in the names of others. It further found reason to believe that NATA PAC violated 52 U.S.C. §§ 30118(a) (formerly 2 U.S.C. §§ 441b(a)), 30122 (formerly 2 U.S.C. 441f), and 30104(b) (formerly 2 U.S.C. 30104) and 11 C.F.R. §§ 110.4(b)(1)(iv) and 114.2(d) by accepting prohibited contributions made in the names of others, and submitting inaccurate disclosure reports.

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this Agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i) (formerly 2 U.S.C. § 437g(a)(4)(A)(i)).

1           II.       Respondents have had a reasonable opportunity to demonstrate that no action  
2 should be taken in this matter.

3           III.     Respondents enter voluntarily into this Agreement with the Commission.

4           IV.     The pertinent facts in this matter are as follows:

5           1.       NATA is a national incorporated membership organization (trade association)  
6 representing general aviation businesses. NATA is governed by a Board of Directors and its  
7 day-to-day operations are handled by its president, officers, and staff. James Coyne served as the  
8 CEO and President of NATA at all times relevant to the conduct at issue in this matter.

9           2.       NATA PAC is its separate segregated fund ("SSF") and is registered with the  
10 Commission as an unauthorized, qualified non-party committee. Jason Miller is NATA PAC's  
11 current treasurer. Mr. Miller was not affiliated with NATA and was not NATA PAC's treasurer  
12 when the conduct occurred that gave rise to this Matter. Mr. Miller is referenced in his current  
13 official capacity in connection with this matter for the reasons described in the Commission's  
14 policy statement regarding treasurer liability. *See Statement of Policy Regarding Treasurers*  
15 *Subject to Enforcement Proceedings*, 70 Fed. Reg. at 6 (Jan. 3, 2005). Michael Delk ("Delk")  
16 was NATA PAC's former treasurer from 1998 to July 2013.

17           3.       In July 2001, the Chair of NATA and NATA PAC presented the NATA Board of  
18 Directors with a recommendation to reimburse NATA employees for their contributions to  
19 NATA PAC. The Board approved that recommendation and recorded it in the meeting minutes  
20 as follows: "The Board agreed with a recommendation . . . that interested staff members may  
21 make contributions to the PAC and that, if legal, the association can 'gross up' their salaries to  
22 offset the contribution." Mr. Coyne in his capacity as the CEO and President of NATA was  
23 present at that meeting.

4. Respondents subsequently implemented the reimbursement scheme through a payroll deduction program, and the first salary increases and corresponding payroll deductions began in December 2001. As a result of this arrangement, between December 2001 and August 15, 2012, twenty (20) NATA employees made \$214,353 in contributions to NATA PAC in their names using NATA funds.

5. The contribution reimbursement program was suspended by incoming President/CEO Thomas Hendricks in August 2012 after obtaining a legal opinion from NATA's legal counsel that the program was unlawful. An internal investigation initiated by NATA also discovered that Delk, NATA PAC's designated Treasurer during the relevant period, failed to review, authorize, or sign any of the electronically filed NATA PAC reports that were submitted by NATA PAC's outside consultant on its behalf, although they bear his electronic signature.

V. The pertinent legal principles in this matter are as follows:

1. The Federal Election Campaign Act of 1971, as amended (the "Act") prohibits corporations from making contributions to a federal political committee (other than independent expenditure-only political committees). 52 U.S.C. § 30118(a) (formerly 2 U.S.C. § 441b(a)); Advisory Op. 2010-11 (Commonsense Ten). A political committee is also prohibited from knowingly receiving prohibited contributions. 52 U.S.C. § 30118(a) (formerly 2 U.S.C. § 441b(a)); 11 C.F.R. § 114.2(d).

2. The Act provides that "no person shall make a contribution in the name of another person." 52 U.S.C. § 30122 (formerly 2 U.S.C. § 441f); 11 C.F.R. § 110.4(b)(1)(i). That prohibition extends to knowingly permitting one's name to be used to effect the making of a contribution in the name of another. 52 U.S.C. § 30122 (formerly 2 U.S.C. § 441f); 11 C.F.R. § 110.4(b)(1)(ii).

3. The Act requires that political committees submit disclosure reports that accurately reflect receipts. 52 U.S.C. § 30104 (formerly 2 U.S.C. § 434(b)).

VI. Respondents admit to the following violations of the Act:

1. NATA violated 52 U.S.C. §§ 30118(a) (formerly 2 U.S.C. §§ 441b(a) and 30122 (formerly § 441f) and 11 C.F.R. §§ 110.4(b)(1)(i) and 114.2(b).

2. NATA PAC violated 52 U.S.C. §§ 30118(a) (formerly 2 U.S.C. §§ 441b(a)), 30122 (formerly § 441f) and 30104 (formerly § 434(b)) and 11 C.F.R. §§ 110.4(b)(1)(iv) and 114.2(d).

VII. Respondents will take the following actions in full settlement of this Matter:

1. Respondents will cease and desist from violating 52 U.S.C. § 30118(a) (formerly 2 U.S.C. §§ 441b(a)), 30122 (formerly § 441f), and 30104 (formerly § 434(b)) and 11 C.F.R. §§ 110.4(b)(1)(i), (iv) and 114.2(b), (d).

2. Respondents will pay a civil penalty of \$26,000 pursuant to 52 U.S.C. § 30109(a)(5)(A) (formerly 2 U.S.C. § 437g(a)(5)(A)).

3. Respondents will disgorge to the United States Treasury \$65,000 in employee contributions that were reimbursed with NATA corporate funds.

VIII. Upon fulfillment of the actions described in paragraph VII, Respondents will owe no further obligations to the Commission relating to the facts described in this Agreement.

IX. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) (formerly 2 U.S.C. § 437g(a)(1)) concerning the matters at issue herein or on its own motion, may review compliance with this Agreement. If the Commission believes that this Agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

1 X. This Agreement shall become effective as of the date that all parties hereto have  
2 executed same and the Commission has approved the entire agreement.

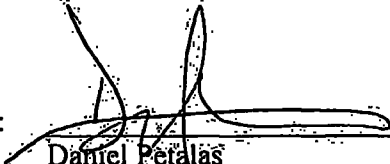
3 XI. Respondents shall have no more than 30 days from the date this Agreement  
4 becomes effective to comply with and implement the requirements contained in this Agreement  
5 and to so notify the Commission.

6 XII. This Agreement constitutes the entire agreement between the parties on the  
7 matters raised herein, and no other statement, promise, or agreement, either written or oral, made  
8 by either party or by agents of either party, that is not contained in this written agreement shall  
9 be enforceable.

10 FOR THE COMMISSION:

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13  
14 March 3, 2015  
15 Date

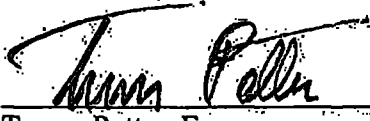
BY:

  
Daniel Petalas  
Associate General Counsel  
for Enforcement

18 FOR THE RESPONDENTS:

19 January 6, 2015  
20 Date

BY:

  
Trevor Potter, Esq.  
Caplin & Drysdale, Chartered  
Counsel to National Air Transportation  
Association and National Air Transportation  
Political Action Committee